

## SENATE SUMMARY OF HOUSE AMENDMENTS

**SB 543 By Senator Morrish****KEYWORD AND SUMMARY AS RETURNED TO THE SENATE**

HEALTH/ACC INSURANCE. Creates the Louisiana Mandated Health Benefits Commission and provides for its membership and functions. (8/15/10)

**SUMMARY OF HOUSE AMENDMENTS TO THE SENATE BILL**

1. Technical amendments.
2. Exempts limited benefit health insurance policies and contracts from the provisions of present law pertaining to state mandated health benefits.
3. Adds a representative of the Louisiana Independent Pharmacies Association and a representative of the Louisiana Orthopaedic Association to the voting members of the commission.
4. Deletes provision mandating the commission's review of all proposed legislation containing mandated benefit proposals. Instead makes this review discretionary.

**DIGEST OF THE SENATE BILL AS RETURNED TO THE SENATE**

Morrish

SB No. 543

Proposed law exempts limited benefit health insurance policies and contracts from the provisions of present law pertaining to state mandated health benefits.

Proposed law provides for the purpose and legislative intent in the creation of the Louisiana Mandated Health Benefits Commission. Provides for the powers, duties, functions and responsibilities of the commission. Provides for staffing by the office of health insurance of the Department of Insurance.

Proposed law provides for the commission to be comprised of the following voting members:

- (a) A representative of the American Association of Retired Persons.
- (b) A representative of the Louisiana AFL-CIO.
- (c) A representative of the Louisiana Coalition for Maternal and Infant Health.
- (d) A representative of the Louisiana Association of Business and Industry.
- (e) A representative of the Louisiana Association of Health Plans.
- (f) A representative of the Louisiana Association of Health Underwriters.
- (g) A representative of the Louisiana Business Group on Health.
- (h) A representative of the Louisiana Hospital Association.
- (I) A representative of the Louisiana State Medical Society.
- (j) A representative of the National Federation of Independent Business.
- (k) A representative of the National Association of Insurance and Financial Advisors.

- (l) A representative of the Office of Group Benefits.
- (m) An additional consumer representative, appointed by the chairman of the Senate Committee on Insurance.
- (n) An additional consumer representative, appointed by the chairman of the House Committee on Insurance.

Proposed law adds the following four persons to the membership of the commission for a total of 17 voting members:

- (a) A representative of the Louisiana Small Business Association.
- (b) A representative of the Chiropractic Association of Louisiana.
- (c) A representative of the Louisiana Independent Pharmacies Association.
- (d) A representative of the Louisiana Orthopaedic Association.

Proposed law provides for the following to serve as nonvoting ex officio members of the commission:

- (a) A member of the Senate Committee on Insurance, appointed by the chairman of that committee.
- (b) A member of the House Committee on Insurance, appointed by the chairman of that committee.
- (c) A representative of the Legislative Fiscal Office.
- (d) An actuary appointed by the commissioner of insurance.

Proposed law requires the commission to conduct its duties under the direction of the commissioner of insurance and elect its own chair and vice chair. Provides for the meetings to be conducted according to Robert's Rules of Order and requires a quorum for conducting business as a majority of voting members. Authorizes the commission to create further rules in compliance with state law to conduct its business.

Proposed law establishes the following duties of the commission:

- (a) To optionally review all proposed legislation that would mandate coverage by health insurance issuers of specifically enumerated benefits, services, conditions, or medical products.
- (b) To annually report findings and recommendations, if any, on mandated benefits proposal to the legislature.

Proposed law requires the commission to consider the following factors when reviewing mandated benefit proposals:

- (1) Medical impacts, including:
  - (a) Whether the service or product is generally recognized in the medical community as effective in screening, diagnosis, or treatment of a condition, as demonstrated by a review of scientific and peer-reviewed medical literature.
  - (b) Whether the service or product is currently utilized by treating health care providers.
- (2) Social impacts, including:
  - (a) The level of public demand for the coverage of the service or product.

- (b) The extent to which coverage for the service or product is already being provided.
  - (c) Projected short-term and long-term good for the state and its people.
- (3) Financial impacts, including:
- (a) The projected cost of providing coverage of the service or product, the projected effect of such mandated coverage on health insurance premiums, and the potential impact of additional costs on the level of uninsured in the state.
  - (b) The projected increase in utilization of the service or product.
  - (c) The projected cost savings produced by providing coverage of the service or product.

Proposed law requires the commission to meet annually, no later than 60 days prior to the date that the regular session of the legislature convenes for that year to review proposals received by January 15<sup>th</sup>. Provides that additional meetings may be held at other times during the year to properly consider mandated benefit proposals. Notice of meetings shall be made according to state law.

Proposed law requires the commission to report its findings to the House and Senate Committees on Insurance no later than 30 days prior to the date that the regular session of the legislature convenes. Requires the commission to consider, analyze and report to the House and Senate Committees on Insurance prior to the regular legislative session on proposed mandated benefits submitted to the commission after January 15<sup>th</sup> of each year. Requires the House and Senate Committees on Insurance to consider the commission's report when a mandated benefit proposal is brought before them.

Proposed law requires the commission to provide an opportunity for any interested person to present information regarding a mandated benefit proposal. Permits the commission to request reports related to proposed mandated benefits from persons outside the commission.

Proposed law places the Louisiana Mandated Health Benefits Commission in the Department of Insurance.

Effective August 15, 2010.

(Adds R.S. 22:1052, 2183, and 2184 and R.S.36:686(F))

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Thomas F. Wade  
Director, Legal Affairs Division